(b) whether Government are considering a proposal to revamp the working of SFIO and to tone-up its work culture and mythology so as to make it more result oriented; and

(c) if so, the details thereof and the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) The details of the work done by the Serious Fraud Investigation Office during the last three years, year-wise is given in the Statement.

[Refer to the Statement appended to the Answer to Unstarred Question 1392 part (c)]

(b) No, Sir.

(c) Does not arise.

Closure of Co-operative Banks

1395. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a number of Co-operative Banks in the country have become unviable and defunct, mostly owing to mismanagement;

(b) if so, details of such banks that have gone burst during the last three years, with details of affected clients, total deposits and the amount compensated, year-wise, bank-wise and State-wise;

(c) whether RBI, through the 'Depositors Credit Insurance and Guarantee Corporation' compensates the clients of defaulting Co-operative Banks; and

(d) if so, the amount disbursed on this account through this organization during the last three years, year-wise, bank-wise and State-wise, with special reference to Gujarat?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) to d) The information is being collected and will be laid on the Table of the House.

Funding of mega projects

1396. SHRI C. PERUMAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is proposed to give adequate representation in the

proposed India Infrastructure Finance Company Limited for funding mega projects;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) Eligible projects including mega projects that satisfy the criteria laid down in the Scheme would be entitled for funding from IIFCL.

(b) The extract incorporating the relevant portion of the scheme are annexed as Statement (*See* below).

(c) Does not arise.

Statement

Extract of the scheme on Establishment of a Special Purpose Vehicle (SPV) for funding Infrastructure Projects

The Scheme

In order to implement the Budget Announcement, the Department of Economic Affairs has drawn up a Scheme for Financing Viable Infrastructure Projects through a Special Purpose Vehicle (hereinafter referred to as the Scheme).

The salient features of the Scheme are:

(a) The Scheme will be implemented by a Special Purpose Vehicle called the India Infrastructure Financing Company Ltd. (hereinafter referred to as the IIFCL). The IIFCL will be incorporated as a Company under the Companies Act, 1956.

(b) The IIFCL would finance only commercially viable projects sponsored by any entity *viz.* Public sector, Private sector or public private partnerships. Viable projects may also include those projects which become viable after receiving viability gap funding under a Government scheme.

(c) The projects may belong to the following sectors:

  (i) Roads and bridges, railways, seaports, airports, inland waterways and other transportation projects,

  (ii) Power;

  (iii) Urban transport, water supply, sewage, solid waster management and other physical infrastructure in urban areas;

  (iv) Gas pipelines;

(v) Infrastructure projects in Special Economic Zones; and

(vi) International convention centres and other tourism infrastructure projects.

Provided that an Empowered Committee may, with approval of the Finance Minister, add or delete any sector/ sub-sectors from this list. The Empowered Committee as defined in the Scheme would be a Committee under the Chairmanship of Secretary (Economic Affairs) and include Secretary, Planning Commission, Secretary (Expenditure) and Secretary of the line Ministry dealing with the subject.

(d) The IIFCL may render financial assistance through one or more of the following means:

(i) Direct lending to the eligible projects. Normally the IIFCL will lend that portion of the debt that is over ten years' maturity.

(ii) Refinance to Banks and Financial Institutions for loans with tenure of five years (preferably ten years) or more.

(iii) Any other method approved by the Government from time to time.

(e) The SPV will not undertake any appraisal of Infrastructure on its own. The appraisal of the project would be done by the lead bank of the Inter-Institutional Group (Lenders' Consortium) financing the project. To qualify as a lead bank for the purpose of this scheme, a bank must have a minimum exposure of 25% of total project debt. All disbursements and recoveries would be undertaken through the lead bank.

(f) Loan assistance from the SPV shall not exceed 20% of the project cost.

(g) A project awarded to a private sector company for development, financing, construction, maintenance and operation through Public Private Partnership (as defined in the Scheme for Support to Public Private Partnerships in Infrastructure) shall have overriding priority under this scheme if a project is awarded through open competitive bidding.

(h) Private sector companies that implement infrastructure projects, except as a competitively bid Public Private Partnership Project, will not be eligible for direct lending and only the refinancing option will be available in such cases. Further, the total lending to such projects will be kept within 20% of the lending programme of the IIFCL.

(i) The rate of interest charged by the IIFCL shall be such as to cover all fund costs including guarantee fee as well as administrative cost.

Investment of Black Money in Urban/Semi-Urban property

1397. SHRI SANJAY RAUT: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that after recent anti-corruption drive at high places there are large chunks of unaccounted black money invested in urban or semi-urban property, share market as well as in gold;

(b) if so, Government's reaction thereto;

(c) whether Government are considering any proposal to unearth black money and assets in various parts of the country;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) and (b) The Central Bureau of Investigation had conducted a special drive on 30.9.2005 wherein 59 cases have been registered against 76 public servants for various allegations, including possession of disproportionate assets. Due process of law is being followed to take action against these officers/officials.

(c) and (d) The Income Tax Department undertakes several measures to unearth black money. These include, among others, undertaking search and seizure and survey actions, and scrutiny of returns in appropriate cases. Further, the Government has recently introduced two additional anti-tax evasion measures. From June, 2005